

*IT'S GOOD TO BE THE
HEGEMON:*

THE BENEFITS OF A STABLE
INTERANTIONAL ORDER

By: Justin Cavanaugh

May 5, 2025

Introduction

As Mel Brooks stated in his movie *The History of the World, Part I*: “It’s good to be the King.” Similarly, it is good to be the hegemon of the international order. However, there are significant responsibilities and costs that come with facilitating a stable international order. The following argument will show that when there is high economic interdependence between nation states, one nation state will naturally occupy the position of hegemon when the size of its population, and economy, allows it to develop a more sophisticated and capable military over other nation states. This allows the hegemon to: 1) efficiently oversee the smooth transition of goods through protected trade routes, 2) benefit from its currency being a convenient choice for global transactions, and 3) use its soft power to create economic opportunities and barriers to entry much more effectively than a multipolar or bipolar system can. However, I am not arguing that a hegemon is created through intentional global aspirations, although historically this has been the goal of some nation states, I am arguing that other nation states willingly abdicate power to the hegemon for efficiency as long as the hegemon creates stability in the international economic order. Thus, the hegemon has high economic costs, as well as legal and ethical responsibilities, to facilitate and maintain a stable international order if it wants to maintain the benefits of being the hegemon.

The research design of this paper is two-fold. The first section of this paper will use the well-researched area of international relations to define the political theories of polar systems and argue: 1) that a historical hegemon naturally exists in an international system with high trade interdependencies due to the need for efficiency, and 2) define the benefits that come from being the hegemon by using historic examples of the Macedonian, Roman, and British empires.

It's Good to be the Hegemon: The Benefits of a Stable International Order

The second section of this paper will focus on the United States as the current hegemon, and argue that there are certain legal and ethical responsibilities it has to ensure that certain legal rules are enforced in the global economic system in order to maintain its position as the hegemon.

I) Economic Interdependencies in Polar Systems

Interdependence in global trade has massive international security implications. The reliance that nation states have on one another for raw materials, services, and goods can be extremely beneficial in weakening hostilities between nation states. However, those same benefits can become liabilities if hostilities among nation states begins to increase. Although global trading strategies are not military in nature, there are implications to military capabilities and national security intertwined within them. Thus, I believe that a combination of neoclassical realism and hegemonic stability theory will address the costs and benefits of being the hegemon, and explain why other nation states defer power to the hegemon for global trade to function efficiently.

A) Realism and Polar Systems

Polar system theory derives from realism and is broken into classical realism and neorealism. Classical realism is shaped around the theory that the world is anarchic and states rationally seek out power due to the condition of human beings' acting in their self-interest. Classical realists, such as Hans Morgenthau, argue that due to the Hobbesian nature of the world that great military powers would balance each other's power ambitions out, and create a stable international order through a multipolar system.

Neorealism, also known as structural realism, is based on the view that the world is anarchic with no arbiter to appeal to when nation states want to litigate their differences. Thus,

It's Good to be the Hegemon: The Benefits of a Stable International Order

states prepare to militarily secure their interests within an international system. Neorealism is further broken down into 3 different theories: 1) defensive realism, 2) offensive realism, and 3) hegemonic stability theory. Defensive realists, such as Kenneth Waltz, argue that due to the innate human desire for security, a state's goal is to maintain its security through defensive military power. Leading to a stable bipolar system where two dominant powers balance each other out, and create stability by fewer states vying for power (Walt, p. 31). Offensive realists, such as John Mearsheimer, argue that a state must maximize its power in order to become a regional hegemon, which leads to a bipolar system (Mearsheimer, p.1) Last, hegemonic stability theorists, such as Robert Gilpin, argue that a unipolar system is the most stable, because a singular hegemonic state provides global security, and sets commonly understood rules for the international system.

However, Gideon Rose developed a theory he called neoclassical realism in order to address the criticisms of realism by constructivists and liberal theorists. These theorists argue that neorealism's focus on de facto outcomes of military power is not complex enough, because it does not address the interdependence issue of international trade, nor does it analyze the leaders and elites involved in the decision process of a state. Rose argues that neoclassical realism can predict that an increase in material power will lead to a corresponding expansion in a state's ambition in its foreign policy activity, but this link is not merely one of military might alone, because the beliefs of political leaders and elites actually drive foreign policy. (Rose, pgs. 146 & 167). Thus, combining Gideon Rose's focus on the role that political leaders and elites' beliefs have on diverging strategies of foreign policy, along with Robert Gilpin's hegemonic stability theory, we are able to come to a more realistic view in which states interact within an international system.

B) Hegemonic Stability Theory

“To be a hegemonic power is to achieve a quasi-monopoly of geopolitical power, in which the state in question is able to impose its rules, its order, on the system as a whole, in ways that favor the maximization of accumulation of capital to enterprises located within its borders” (Wallerstein, p.33). Once a state has grown to the position of hegemon, due to its economy creating surplus goods and services, and the growing size of its population, the increase in excess capital allows it to invest in a capable military in order to protect the state’s economic and strategic interests.

All first-year law students in America learn the foundational conception that is behind all contractual relationships: “Good Faith and Fair Dealing.” This concept is not purely legal in nature, it is a truism of human nature that explains a core human relationship when entering into agreements with one another. Simply, if the parties cannot trust each other, then they will not engage with one another. Thus, garnering good will with trading partners is a key foundation of market economics. Moreover, when expanding this singular conception into larger markets outside regional markets, trusting that one nation state’s goods can get safely from the seller’s port to the buyer’s market is paramount. Thus, this reality creates the necessity of a military force large enough to protect its own goods on the land, seas, and air in global trade routes.

This security, that at first is self- interested to the hegemon, has a symbiotic benefit to all those wishing to move their goods on those same trade routes. Gilpin recognized the stability a hegemon brings to an international market system, “...particularly [that] the sound functioning of the free economy, necessitates a recognized hegemonic power that is capable of taking political and military responsibility at the global level. A hegemonic power internationally guarantees the rules of the game essential to a liberal economic and political order” (Telò, p. 58).

It's Good to be the Hegemon: The Benefits of a Stable International Order

However, whether the benefit is one of extortion and tribute, or one of mutual benefit likely depends on the intent and foreign policy goals of the hegemon. Here, Susan Strange, in here book *States and Markets*, (1988) differentiated these types of interactions as: “relational power” and “structural power”. Relational power is when a hegemon, or major power, creates a system in which smaller powers must behave in accordance with its wishes, and structural power is the influence that international economies have on the framework in which states must act in order to grow or engage in international trade (Telò, p.60).

Historically the relationship of a hegemon creating a stable set of rules and protected trade routes has been one based on relational power. Where the hegemon would impose tribute for protection, and offset its costs by seizing vessels, and goods, for taxes under the supposition that other trading nations owed the hegemon for the convenience of more efficient trade.

C) Historic Hegemons: Macedonia

There have been many hegemons throughout history, but few have been international hegemons in a contemporary context. The term hegemon, is a Greek word: hēgemón, that means ruler or leader, and was the title given to Philip II of Macedonia (382-336 BCE) when he unified Greece under his reign.

In order to do this, Philip II needed to rely on the natural resources of Macedonia and the size of its population to his benefit. As Raman Bath explains: “[I]ower Macedonia was a veritable breadbasket in terms of sheer crop yield. It was simply one of the most fertile lands in all of Greece.” Which “...yielded large harvests of grains and an abundant surplus that Macedonian kings exported extensively” (Bath, p.5). Moreover, “[t]he rich plains...allowed these people to maintain a large stock of horses and skilled calvary” (Bath, p.6). These two essential ingredients: surplus of goods and military superiority, is important. First, without the

It's Good to be the Hegemon: The Benefits of a Stable International Order

ability to create a surplus of grain the Macedonian economy would remain a regional power in economic terms. The grain surplus allowed the Macedonians to convert grain into other commodities and currency. Second, the calvary, in ancient terms, combined with the tactic of the well-known phalanx, was essential in winning land battles due to the speed and efficiency an army could move, garrison, and patrol trade routes. Moreover, by trading with peoples outside its borders the Macedonians could gather intelligence on their friends and enemies.

Prior to Philip II's reign, Archelaus I (413-399 BCE) "greatly improved Macedonia by building a network of roads linking many small towns and providing safe access to the upper cantons. He placed numerous forts through the kingdom both to ensure safe passage of trade goods, and to defend against incursions from rivals" (Bath, p. 15, citing Gabriel, p.36-37). This infrastructure is important as it created a network of trade routes that the Macedonians could rely on to ensure that their goods were protected and moved efficiently. It also ensured that those that wanted to trade with Macedonia would benefit from this same safe and efficient mode of trade.

Building off his predecessors' infrastructure investments, Philip II insisted on military reforms and tactics that were directly used to expand the Macedonian empire. This "greatly increased the population of Macedonia, increased the size of its military, granted him access to new vital resources, and secured his borders" (Bath, p.35). Philip II also engaged in many political alliances, and alliances through marriage, that expanded trading partners and folded their technologies and expertise into the Macedonian toolbox.

Furthermore, Phillip II strategically created a new coinage system based mainly on gold and silver. "His [Gold Stater] coins quickly became one of the most coveted coins in the ancient world...[and] the coin's weight and measurements ensured its value, [making]...it useful for everyday purchases and large-scale military expenses (Austin Coin).

It's Good to be the Hegemon: The Benefits of a Stable International Order

Here, the issue of a global reserve currency comes into focus. By Philip II creating a standardized coinage system, where the coins were coveted for their prestige, purity, and size, he could ensure that all Macedonian export goods would be bought with Macedonian coins. This was a huge benefit to the Macedonian empire because as the value of a nation states currency goes up, it gives it immense coercive power in banking and trading systems. But, this is not the most significant part of a global reserve currency. The most significant part is in the tangential benefits that come in the form of secure and efficient economic conditions.

As shown above, with a large population and surplus goods, the Macedonian empire, under Philip II, became the hegemon of the Mediterranean through creating a system of safe and efficient trade routes that were protected by its military, and created a financial system that created a net benefit for all engaged in the system —especially Macedonia. However, I am only focusing on the systematic nature of the trading system, and the ability of a large population to organize itself, in order to create the most efficient system that other groups will abdicate some of their autonomy to. The manner of cruelty and deception in which the Macedonian empire was built on is not part of this analysis.

D) Historic Hegemons: Rome

As in most things when it comes to comparisons between ancient Greek and ancient Roman cultures, the Romans adopted and perfected many of the Greeks' expertise in art, science, architecture, religion, philosophy, military tactics, and a form of government mixed with monarchy and representative government officials. Just as Philip II, and his son Alexander the Great, used violence to conquer neighboring lands to expand the Macedonian empire, the Romans perfected this strategy. Expansion of territory, increases in goods and raw materials, and growth of manpower, were essential economic strategies of the Roman economic engine.

It's Good to be the Hegemon: The Benefits of a Stable International Order

Furthermore, just as the Macedonians created an efficient infrastructure, and a system of trade and trade protection, the Romans adopted and expanded this lucrative system as well.

“By progressively securing... [the Mediterranean] the armies commanded by Roman magistrates, along with Italian traders and entrepreneurs in search for individual profit, not only connected distant lands but also integrated non-Italian peoples into the Roman world” (Ñaco, Principal, and Dobson, p. ix). Essential to connecting the lands around the Mediterranean to Rome, for trade and military efficiency, were navigable roads that are still used in some instances today. Moreover, a large navy that was capable of patrolling harbors and shipping lanes to ensure goods, peoples, technologies, and ideas were safely transported and offloaded was paramount.

Romans likely took over systems of tolls and taxation that preexisted their conquest of a region, and due to taking over local systems “caused changes in practices that structured relations in and between communities” (Gorgues, p. 37, 43). This takeover allowed for two strategic outcomes. First, Romans were able to adopt a system that was effective in a region and assume management of it, but keeping the system familiar to the locals. Second, this generated more monetary wealth, more economic and military intelligence, and led to an increase in the control of the coinage used. The Roman introduction of the silver *denarius* during the Second Punic war with Carthage (218-201 BCE) saw to it that “no more non-Roman silver coinage was produced on the Italian peninsula...” (Termeer, p. 14-15).

The expansion of the Roman *denarius* around the Mediterranean shows that just as Phillip II's Gold Stater was essential to a systematic form of international trade, so too was the Roman *denarius* in becoming the reserve currency of the Mediterranean world leading to Roman hegemony. Furthermore, a strong and large military force was essential for keeping trade routes

It's Good to be the Hegemon: The Benefits of a Stable International Order

efficient and safe for all involved in the system. However, just as above, the focus here is on the efficiency the Roman empire was able to incorporate into the Mediterranean trading system. How they specifically accomplished this, through subjugation of the peoples around them, is not being analyzed.

E) Historic Hegemons: Britian

As the tradition of empire building continued throughout most of human history, due to the dominance of monarchy, technology began to change the systematic nature of trade with what could be argued to be the first modern global trading system. This was possible due to government sponsored corporations, international economic policies, technologically advanced sea worthy vessels, and a policy of colonization in a structural power dynamic. Here, the difference is that the dominance of the hegemon is based on the acceptance of the hegemon's power within an international economic structure, instead of its relational power to other nations.

Most importantly, the British empire's use of chartered companies, and at the time the largest navy in the world, facilitated the British monarchy's ability to impose its dominance on global trade routes and trade policy. Barriers to entry is a key obstacle in engaging in any form of commerce and a private/public partnership with a charter gives exclusive privileges of monopoly to a specific region or good. Two of the most important British "...overseas trading companies were the Muscovy Company (1555) and the Turkey Company (1583). They had important effects on international relations, for they maintained English influence and paid the expenses of ambassadors sent to those countries" (Britannica, p.2). However, probably the most recognizable, wealthy, and powerful of these chartered corporations, was the East India Company "...that was established in 1600 as a joint-stock company with a monopoly of the trade to and from the East Indies" (Britannica, p. 3).

It's Good to be the Hegemon: The Benefits of a Stable International Order

British naval dominance imposed two systemic changes to the economic order that would further solidify Britain as the hegemon. First, was the expulsion of slavery in global trade during the 19th Century, and second, was the dominance of British Sterling (Pound) as the global reserve currency during the Pax Britannica (1815-1914).

In 1807, the British Parliament passed the Act on the Abolition of the Slave Trade in the British Empire (Act). Prior to the Act's passage, the entire global trade system was based on slave labor. In order to change economic reliance on slave labor, "[t]he Foreign Office had to persuade other nations to enter into treaties prohibiting the slave trade and empower British naval officers to arrest the slavers..., [where] "the pursuit and capture of slave ships became celebrated naval engagements..." (Lewis-Jones. pgs. 1-4).

The passage of the Act can be viewed in two ways: economic and moral. From an economic viewpoint, emerging technologies in industrial manufacturing during the British industrial revolution (1760-1840) created an incentive for the British to circumvent the influence of slavery on the global market. This was a strategic move to undermine the continued use of slavery around the globe, because slavery artificially deflates the market price on the cost of production. Competitors cannot compete with goods that have low to no production costs of labor. Therefore, industrialization, and an industrial workforce that required paid labor, could not compete with a global supply of slave produced goods. Thus, the British empire's emerging industrial economy would have a significant interest in outlawing slavery in global trading

From a moral perspective, the hegemon has certain obligations, accepted international laws, and recognized norms that are important to enforce. Good faith and fair dealing, as a common law legal principle, would be paramount for the expansion of the English Enlightenment's belief in natural liberty, and the right of property ownership through one's labor.

It's Good to be the Hegemon: The Benefits of a Stable International Order

Thus, the British, as the hegemon, could maintain moral authority by enforcing legal principles that benefitted the overall health of the economic system.

The health of global currency exchanges also benefitted the British empire when the British Pound solidified itself as the global reserve currency during the Pax Britannica (1815-1914). During this period "...there was...a large export of British capital to the rest of the world, often with the objective of developing the export potential of Britain's suppliers of food and raw material. A continuous net export of capital between 1848 and 1913 brought up Britain's total net overseas assets to the fantastic amount of nearly 4,000 million [Pounds] by 1913" (Karlstroem, p.210). This meant that there was a lot of British pounds available in the market, and other countries would find it convenient to engage in transactions with the Pound (Ibid, p.210). This gave the British extreme soft power to dictate trade policy, execute treaties, and create tariff strategies that would benefit the longevity of that current economic system. Moreover, with the hard power of its navy, it could gather crucial information about the capabilities of its allies and enemies. This vital information allows the military and domestic industries to adjust to changes in the market and invent new technologies to be more efficient in producing goods, providing services (i.e., legal, banking, and contractual services) and conducting military forward strategies.

Just as the Macedonians and Romans had done before them, the British empire: 1) enacted policies that ensured ease of entry into markets, 2) provided military protection of goods moving within the market, 3) naturally expanded its wealth through surplus goods, and 4) benefitted from its currency being the most convenient way to engage in commerce. It could be argued that the Act was merely a fact of doing business, and the British were simply acting in their own self-interests. However, I would argue that the Act's moral component is a

It's Good to be the Hegemon: The Benefits of a Stable International Order

philosophical underpinning that changed the world from a system based on monarchy, into a system made up of secular nation states that rejected the divine right of kings. Thus, the British empire's moral and ethical obligations to stop the slave trade within the economic system, was based on Enlightenment principles that was intended to increase the free flow of trade and profits within the system. However, this is an optimistic view and does not take into consideration the impact of colonization as its own form of slavery.

II) The United States as the Current Hegemon

On July 4, 1776, the British colonists in the British colonies in North America penned a document that would change the world order with the United States Declaration of Independence (Declaration). This was not merely a political claim to self-governance, but was a declaration of philosophical enlightenment principles that no human being was born divine to rule over others. As Thomas Jefferson famously stated in his letter to Roger Weightman, on June 24, 1826, (50 years after the war for independence) “that the mass of mankind has not been born with saddles on their backs, nor a favored few booted and spurred, ready to ride them legitimately, by the grace of god” (Jefferson, loc.gov). This statement is legalistic in nature as well, as it formally claims that there is no legal right of a monarchy to lay claim to the natural property rights that all human beings have to their labor. In fact, the Declaration's legal and philosophical claim that among the unalienable rights of life, liberty, and the pursuit of happiness is a direct application of John Locke's claim of natural rights that included “life, health, liberty, or possessions...” (Locke, Chapter 2, Section 6). Interestingly to point out, the Declaration did not state property rights as one of the unalienable natural rights, but this right is commonly implied from the Declaration's homage to Locke's treatise. The Declaration's legal and philosophical claim is the starting bell

It's Good to be the Hegemon: The Benefits of a Stable International Order

that began to change the world order from British hegemony to the United States as the current hegemon.

Of course, this process took time, necessitating critical foreign and domestic policy changes, and two world wars for America to emerge as the new hegemon. Kori Schake's *The Transition from British to American Hegemony* attempts to pin down the key moments that led to American hegemony replacing British hegemony. Schake focuses on 9 different moments, but I will only focus on three of those moments, i.e., the Declaration (as discussed above), The Monroe Doctrine, and World War II, in order to make the argument that due to these events the United States naturally took over the position of hegemon from the British.

A) The Monroe Doctrine's Influence on American Hegemony

The Monroe Doctrine, like the Declaration, was a signal fire that announced certain legal and philosophical principles to the economic and political world order of the European powers. In President James Monroe's address to Congress on December 2, 1823, he proclaimed that: "As a principle in which the rights and interests of the United States are involved, the American continents, by the free and independent condition which they have assumed and maintained, are henceforth not to be considered as subjects for colonization by any European powers" (Diplomacy.state.gov). This proclamation was not simply made to reinforce independence from European powers, but was to proclaim the Western Hemisphere off limits to any encroachments to American territorial integrity. Furthermore, it was a proclamation that United States controlled access to the mass markets in the Americas. Now, if European powers wanted access to the massive goods and raw materials off the American continents, they would have to negotiate with the United States. However, with the lack of a large naval fleet to enforce the

It's Good to be the Hegemon: The Benefits of a Stable International Order

claim of control over the western hemisphere, the United States could only dictate policy for itself and access to its own ports.

Nonetheless, the Monroe Doctrine was a policy that future administrations could use to create international economic policy agendas, focus on rectifying the military weakness of the U.S. Navy, and create a system of networks that would facilitate more efficient trade in the Western Hemisphere. Thus, the policy of the Monroe Doctrine allowed the United States to increase its wealth by reinforcing network systems and demand more control over the Western hemisphere through a larger and more capable military.

B) World War II's Effect on American Hegemony

Some political scientists look to the Spanish American War (1898), and World War I (1914-1918), as defining moments when the United States began its intentional process of becoming a hegemon with concerted foreign policy agendas to expand American influence and territory around the world. I agree that these policies are foundational steps for the United States becoming the current hegemon through intentional aspirations like empires of the past. However, I don't believe that these policies would have amounted to much if the allied forces (Allies) lost World War II (WWII). Moreover, I am arguing that a hegemon develops naturally, and that other nations willingly abdicate to its authority for efficiency within global markets, not that it does so through might alone.

At the beginning of WWII, the United States felt isolated from the effects of the war raging in Europe, but on December 7, 1941, the Japanese Navy attacked the United States at Pearl Harbor, and ignited an American response that would reinvent its economy and focus the entire nation on the war effort. Major battles such as D-Day June 6, 1944, the Battle of the Bulge, December 16, 1944 – January 25, 1945, and many others were crucial in the Allies victory over

It's Good to be the Hegemon: The Benefits of a Stable International Order

Germany, Italy, and Japan. However, the devastation that was brought onto the European continent in loss of life, and to its infrastructure, left European economies destroyed. Since, the United States was isolated by two oceans, and the limited technology at the time made it nearly impossible to launch an effective long-term military campaign on the North American continent, this left the United States as the only functioning economy with a sophisticated industrial complex capable of mass production, and the only economy with the ability to finance credit. After the war, the United States went on to financially back the reconstruction of Germany, Japan, and the United Kingdom.

With the United States becoming a major financier of credit around the world, and a near monopoly on manufactured goods in the Western hemisphere, the United States economy was booming. This increased the wealth of the United States and solidified itself as one of the most advanced militaries in the world with nuclear weapons and a modern, efficient, and global ready navy and air force. Now, the United States could use its navy to control and patrol trade routes around the world assuring an efficient and stable economic environment.

However, “[d]espite the growing importance of the market, historical experience indicates that the purpose of economic activities is ultimately determined not only by markets and the prescriptions of technical economics, but also (either explicitly or implicitly) by the norms, values, and interests of the social and political systems in which economic activities are embedded” (Gilpin, p.12). Here, an emphasis on American values as an important aspect for America taking on the role as hegemon from the British is poignant, because the transition to American hegemony happened peacefully and willingly. As Kori Schake explains: “America proved itself not to be a traditional great power... [because it was] episodically advocating and assisting self-determination across the international order—changing the rules in consonance

It's Good to be the Hegemon: The Benefits of a Stable International Order

with its domestic political values” (Schake, p. 5). Not only were the values of self-determination that are enshrined in the Declaration being embraced post-WWII, but the access to efficient, safe, and predictable markets was paramount to a world economy looking to rebuild itself.

It might be expected that the U.S. Dollar would instantly become the global reserve currency in this environment, but that did not immediately follow. Post-WWII trading was functioning with a conflict of interests between American and British negotiators, at the Brenton Woods Conference in 1944, where American negotiators wanted free trade, but British negotiators were worried about the shortage of [U.S.] dollars (Gilpin, p. 217-218). The outcome of these negotiations resulted in the U.S. Dollar becoming the official global reserve currency based on a gold standard.

Here, it is important to point out that just as the transition from British hegemony to American hegemony was a peaceful and willing one, so too was the transition from the Pound to the U.S. Dollar as the global reserve currency. This shows that a hegemon does not have to forcefully insist its currency be used, such as the Macedonian and Roman empires did, but that for a currency to be a true global reserve currency, it must be based on good faith and an abundant amount of that currency available within the international system.

Since 1971, the U.S dollar is no longer backed by gold, but merely on the full faith and credit of the United States. As Wayne Duggan reports: “the Federal Reserve estimates that between 1999 and 2019, the dollar accounted for 96% of international trade transactions in the Americas, 74% in Asia and 79% elsewhere. Globally, banks used dollars for about 60% of their non-domestic deposits and loans. And in the foreign exchange market, the dollar is on one side of about 90% of all transactions” (Duggan, p. 4). This shows a high interdependent economic system that will be hard to change unless the United States decides to change international

It's Good to be the Hegemon: The Benefits of a Stable International Order

economic policies that would directly affect the faith in the United States economic capability to back the US dollar's value.

C) Benefits and Responsibilities of American Hegemony

There are other benefits that come from being the hegemon besides having military superiority, high economic exports and abundant imports, and the choice of global transactions being done with the hegemon's currency, and that benefit is —Information. During the Cold War (1947-1991), the United States and its allies would gain strategic benefits from global interdependence in the form of surveillance and information trading. Just as garrisoning and protection of trade routes was paramount for empires gaining strategic advantage in the past, a web of economic interconnectedness passes information back to the hegemon where it can use that information strategically. This creates an important opportunity for alliances to share information, conduct covert operations and espionage, and allows the hegemon to be in many places at once. It is a force multiplier. In essence, the interconnectedness of the economic order allows the hegemon to figuratively replicate its interests by creating shared benefits for other countries involved. Practically, interconnectedness allows the hegemon to use its soft and hard power to create benefits and costs to other nations willing or unwilling to engage in good faith transactions.

Henry Farrell and Abraham L. Newman's *Weaponized Interdependence: How Global Economic Networks Shape State Coercion*, have focused in on how information transactions and electronic global transactions have changed the interdependence network, which has created new coercive powers to “weaponize” those networks. “Once established, these centralized network structures are hard for outsiders to challenge, not least because they have focal power; challengers not only have to demonstrate that they have a better approach, but need to coordinate

It's Good to be the Hegemon: The Benefits of a Stable International Order

a significant number of actors to defect from the existing model...” (Farrell & Newman, p. 53). Due to the difficulty in replacing the current network of interconnectedness, the hegemon can weaponize these systems to collect critical knowledge, through what Farrell and Newman call the “panopticon effect,” and create “chokepoint effects,” where the hegemon likely has sole legal authority to regulate market issues (Farrell & Newman, p. 56). The ability to create coercive effects within the system, and the ability to gather sensitive and strategic information, is likely the most valuable benefit that the United States has as the current hegemon. Moreover, the United States and its allies have a monopoly on global interconnected communication systems that creates immense strategic advantages. Thus, the United States has certain legal and ethical responsibilities to ensure that certain legal rules are enforced in the global economic system, just as the British had done as the hegemon before them.

The United Nations and Anti-Slavery International have documented the rise of slave labor in poorer countries modernizing into industrialized nations around the world, and have estimated almost 50 million people are enslaved worldwide (antislavery.org, p.1). Anti-Slavery International defines modern slavery as “...an individual [that] is exploited by others, for personal or commercial gain. Whether tricked, coerced, or forced, they lose their freedom” (Ibid, p.2). The desire for cheap products, and cheap or nonexistent labor costs, has increased the resurgence of the immoral act of slavery around the world. Although there are numerous international laws against slavery such as: 1) 1815 Declaration Relative to the Universal Abolition of the Slave Trade, 2) The Universal Declaration of Human Rights (1948), and 3) the United Nations: International Covenant on Civil and Political Rights (1966), without leadership in enforcement of these international laws, the spread of slavery to artificially lower or eliminate the cost of labor will continue to be widespread in international supply chains. “Around 2.6

It's Good to be the Hegemon: The Benefits of a Stable International Order

million people are believed to be trapped in forced labor worldwide..., [including] 17.3 million people...exploited in forced labor...in the private economy, and 3.9 million who are subjected to state-imposed forced labor” (antislavery.org, p.1-2). With this information, the United States, as the current hegemon, has a moral and legal obligation to enforce these international laws and treaties against slave labor. Just as the British did with its 1807 Act, enforcing anti-slavery laws within the international order, so to must the United States enforce current international law and ensure that slave labor is not encroaching into the free market system. As the hegemon, the United States could create large economic liabilities to corporations that are using slave labor, and choke off products produced by slave labor. Doing so would further foster good faith and trust in the United States remaining the leader of the international economic order. Furthermore, it would balance the international costs of labor in the market and promote human rights policies that would generate fair competition.

Conclusion

Due to interdependence of modern markets, safe and secure trade routes create strategies for corporations and nation states to predict future market movements. By a hegemon creating and securing safe trade routes other nation states willingly abdicate some of their autonomy in the market to the hegemon, because it creates efficiency in the market, and fosters diplomacy that necessitate win-win strategies for the entire system. Moreover, a hegemon naturally exists when the size of its economy and population allows it to create a modern and sophisticated military capable of protecting interconnected trade routes. Therefore, it is important to understand the elites and political leaders’ international policy agendas. Thus, using neoclassical realism and hegemonic stability theory, an analysis on how the world actually exists in an economic interdependent system is more probable.

It's Good to be the Hegemon: The Benefits of a Stable International Order

In the context of the modern world, not only must a hegemon have the traditional aspects of a strong military, a growing economy, and its currency being the chosen currency for global market transactions, but it must also have a monopoly on the international communication infrastructure. A monopoly on how information is exchanged and relied on is even more valuable in the modern world as it gives the hegemon the ability to have a strategic advantage over other powers.

In order for the United States to remain as the current hegemon it must refrain from imposing its worldview onto other nations, negotiate strategically to maintain a stable and peaceful international order, and ensure enforcement of the rule of law by expunging slavery from the international economic order. Moreover, being the hegemon does not necessitate imperial intent, but can be a natural result of win-win economic strategies. Thus, the United States must focus on engendering good faith transactions, treaties, and stable economic policies, that not only focus on the needs of the United States, but ensure that these policies prioritize fair competition in the global market place as a form of international security.

It's Good to be the Hegemon: The Benefits of a Stable International Order

Work Cited

- 1) Anti-Slavery International. *What is Modern Slavery?* p. 1 - 2
<https://www.antislavery.org/slavery-today/modern-slavery/>
- 2) Anti-Slavery International. *Slavery in Supply Chains*. p. 1 - 2
<https://www.antislavery.org/slavery-today/slavery-in-global-supply-chains/>
- 3) Austin Coin. *Philip II's Standardized Coinage System*. 2023.
<https://www.austincoins.com/blog/category/macedonian-empire#:~:text=In%20the%20early%204th%20century,and%20large%2Dscale%20military%20expenses.>
- 4) Bath, Raman. *In the Footsteps of the Father: Philip of Macedon's Hegemony over the Greeks and the Persians through his son Alexander*. ProQuest LLC 2012, p. 5, 6, 15, 35
- 5) Britannica, T. Editors of Encyclopedia. *Chartered Company*. Encyclopedia Britannica, October 8, 2013.
<https://www.britannica.com/money/chartered-company>
- 6) Declaration of Independence, July 4, 1776
<https://www.archives.gov/founding-docs/declaration-transcript>
- 7) Duggan, Wayne. *De-Dollarization: What Would Happen if the Dollar Lost Reserve Currency Status?* U.S. News. April 15, 2025. p. 4
<https://money.usnews.com/investing/articles/de-dollarization-what-happens-if-the-dollar-loses-reserve-status>
- 8) Farrell, Henry and Newman, Abraham L. *Weaponized Interdependence: How Global Economic Networks Shape State Coercion*. International Security, Volume 44, p 53, 56

It's Good to be the Hegemon: The Benefits of a Stable International Order

- 9) Gabriel, Richard A. *Philip II of Macedonia: Greater than Alexander.* Washington D.C. Potomac 2010 p. 36-37 cited by Raman Bath.
- 10) Gilpin, Robert. *Global Political Economy: Understanding the International Economic Order.* Princeton University Press. 2001. p. 12, 217-218.
- 11) Gorgues, Alexis. *Rome and the North-Western Mediterranean: Integration and Connectivity c. 150-70 BC. Chapter 4: Transactions, Trading Practices and Structures in the Western Mediterranean: The Impact of Roman Hegemony.* Oxbow Books. 2022. pgs. 37 & 43.
- 12) Hobbes, Thomas. *Leviathan*, Chapter XIII, https://www.gutenberg.org/files/3207/3207-h/3207-h.htm#link2H_4_012
- 13) Jefferson, Thomas. *Letter to Roger Weightman.* June, 24, 1826. <https://www.loc.gov/exhibits/jefferson/214.html>
- 14) Karlstroem, Bo, S. *How Did they Become Reserve Currencies?.* International Monetary Fund eLibrary. Sep 1, 1967. p. 210. <https://www.elibrary.imf.org/view/journals/022/0004/003/article-A007-en.xml>
- 15) Lewis-Jones, Huw. *The Royal Navy and the Battle to End Slavery.* 2/17/2011. BBC.com. pgs. 1-4. https://www.bbc.co.uk/history/british/abolition/royal_navy_article_01.shtml
- 16) Locke, John. *Second Treatise of Government.* 1689. Chapter II On the State of Nature, Section 6.
- 17) Mearsheimer, John. *The Tragedy of Great Power Politics* p.1
- 18) Mel Brooks. *The History of the Worl, Part I* (1981)

It's Good to be the Hegemon: The Benefits of a Stable International Order

- 19) Monroe Doctrine. *The Monroe Doctrine: The United States and Latin American Independence*. Jan. 10, 2024.
<https://diplomacy.state.gov/stories/the-monroe-doctrine-the-united-states-and-latin-american-independence/>
- 20) Ñaco, Toni, Principal, Jordi, and Dobson, Mike. *Rome and the North-Western Mediterranean: Integration and Connectivity c. 150-70 BC*. Oxbow Books. 2022. p. ix
- 21) Rose, Gideon. *Neoclassical Realism and Theories of Foreign Policy*, p. 146,161
- 22) Schake, Kori. *The Transition from British to American Hegemony*. Harvard University Press (2017). p. 5
- 23) Schenk, Catherine R. *The Retirement of Sterling as a Reserve Currency after 1945: Lessons for the US Dollar?* University of Glasgow. April, 2009. p. 2
https://www.researchgate.net/publication/229048743_The_Retirement_of_Sterling_as_a_Reserve_Currency_after_1945_Lessons_for_the_US_Dollar
- 24) Telò, Mario. *International Relations: A European Perspective*, p.58, 60
- 25) Termeer, Marleen, K., *Rome and the North-Western Mediterranean: Integration and Connectivity c. 150-70 BC. Chapter 2: Non-Roman Coins in Italy: The Influence of western Connections (3rd-1st Centuries BC.)* Oxbow Books. 2022. pgs. 14-15.
- 26) Wallerstein Immanuel: *Structural Crisis in the World System-Where Do We Go from Here*, p. 31, 33
- 27) Walt, Stephen M. *International Relations: One World, Many Theories*, p. 31